

# **UTAH APPRAISER LICENSING AND CERTIFICATION BOARD**

Heber M. Wells Building

Room 210

9:00 a.m.

October 25, 2017

TELEPHONE MEETING

## **MINUTES**

### **DIVISION STAFF PRESENT:**

Jonathan Stewart, Division Director  
Mark Fagergren, Education and Licensing Director  
Justin Barney, Hearing Officer  
Allen McNeil, Real Estate Analyst  
Elizabeth Harris, Assistant Attorney General  
Amber Nielsen, Board Secretary  
Kendelle Christiansen, Education Coordinator  
Jim Bolton, Investigator  
Craig Livingston, Investigator  
Faruk Halilovic, Division Staff

### **BOARD MEMBERS PRESENT:**

John E. Ulibarri, II, Vice Chair  
Jeffrey T. Morley, Board Member<sup>\*</sup>  
Richard Sloan, Board Member  
Keven Ewell, Board Member

<sup>\*</sup>Mr. Morley appeared via telephone

### **PUBLIC MEMBERS PRESENT:**

Allison Ewell  
Cody Larsen

The October 25, 2017 meeting of the Appraiser Licensing and Certification Board began at 9:03 a.m. with Vice Chair Ulibarri conducting.

## **PLANNING AND ADMINISTRATIVE MATTERS**

### **Administering of the Oath of Office**

Vice Chair Ulibarri welcomed Keven Ewell to the Board. Director Stewart administered the Oath of Office to Board Member Ewell.

### Election of Officers for Upcoming Year

A nomination was made and seconded to install Board Member Ulibarri as Chair. Vote: Board Member Ulibarri, yes; Board Member Morley, yes; Board Member Sloan, yes; Board Member Ewell, yes. The motion passes.

A nomination was made and seconded to install Board Member Morley as Vice Chair. Vote: Chair Ulibarri, yes; Board Member Morley, yes; Board Member Sloan, yes; Board Member Ewell, yes. The motion passes.

Approval of Minutes – A motion was made and seconded to approve the September 27, 2017 minutes as written. Vote: Chair Ulibarri, yes; Vice Chair Morley, yes; Board Member Sloan, yes. The motion passes.

Public Comment Period – No public comment was given.

## **DIVISION REPORTS**

### **DIRECTOR'S REPORT – Jonathan Stewart**

Director Stewart reported he and Ms. Wright attended the AARO Conference. Director Stewart reported on some of the information he received at that conference. He stated Joe Trainer discussed the exposure drafts and mentioned there will be a fourth exposure draft. They have received of 1300 comments. He stated if there were a reduction in the requirements, those changes could become effective immediately. Director Stewart discussed a USPAP update survey which have over 100 comments. This could relate to a possible exposure draft next year regarding the scope of work, standards rules, changing and adding new definitions, and hypothetical situations. David Bunton held a question and answer session of the website. There have been some attempts to allow appraisers to do evaluations without USPAP. He also discussed the national background check. Jim Park of the ASC discussed the state ratings. Director Stewart stated he expect the Division to receive a good rating. They stated there will be a registry update with the unique identifier. He reported the ASC hotline received 1226 calls. He discussed the rule making regarding AMC fees. The fees collected will largely be returned to the states as grants. He discussed the qualifications board and the fourth exposure draft. There was discussion about removing the qualification to have a college education. Or a proposal for five years and 50 hours experience and an exam without a degree. They discussed having classes in lieu of a degree. They stated the are not trying to prove competency, but finding the bare minimum to get the credential. They discussed changing the requirement for a licensed appraiser to 1000 hours, certified residential to 1500 hours, and certified general to 3000 hours in 18 months. Veronica Spicer reported on statistics regarding the usage of appraisals. She stated the FHA had 1700 appraisals per month. The ASC spoke again regarding the AMC fees, which will be handled in a similar way to the federal registry fees for appraiser individuals. The AQB stated that things have change since the experience requirement was put in place. There was some discussion on possibly removing the requirement to have experience. Mr. Fagergren as some questions regarding this. Director Stewart states Illinois will be moving all appraisers and AMCs to the NMLS. He stated some states solicit supervisors and list those individuals on their

website. He mentioned DC will not be registering AMCs. Some states have a conditional dismissal for disciplinary actions. The Division and Board would need statutory authority to allow form something like that. They stated appraisers do not know they are incompetent until they are into the assignment and then proceed to finish anyway. They discussed the need to determine competency. Larry Disney of the AQB stated there is a difference between being competent for an assignment and qualifying for a license type. Craig Morley of the NAA discussed alternative valuation services. They discussed consideration for non-traditional valuation services. There was a discussion on regulation of home measurements. There was a case of 5 appraisers getting 5 separate square footage totals. There are some square footage issues and guidance is needed. There was discussion on appraiser independence and some stated with AMCs there is not true independence. They discussed the presumption of compliance. Steve Cannon discussed the Louisiana case regarding customary and reasonable compensation. Director Stewart discussed the Division and Board's oversight over each other.

#### **ENFORCEMENT REPORT – Mark Fagergren**

Ms. Wright is at a preliminary hearing and was unable to attend the meeting today. Mr. Fagergren gave the report in her absence.

Mr. Fagergren reported in September the Division received 4 complaints; opened 3 new cases; closed 0 cases; leaving 42 appraisal cases open with the Division. There are a total of 7 cases now with the AG's office.

#### **EDUCATION AND LICENSING REPORT – Mark Fagergren**

Mr. Fagergren reported there was a total of 22 lost appraisers in the last 11 months. He is concerned about losing appraisers in a strong market. He did state the trainees increased by 25 individuals.

Mr. Fagergren reported the Instructor Development Workshop was great. He stated appraiser attendance numbers were down.

Mr. Fagergren presented lists of individuals who were approved for licensing by the Division since the last meeting.

#### **Certified and Licensed Appraiser Applicants Approved by both Education and Experience Review Committees**

Cody Jack Larsen, CR Candidate

Mr. Fagergren presented individuals as members of the experience review committee. He presented Curtis S. Page, Christian Malmrose, Jeremie T. Snowden, Jacob C. Brewster, Joel Frost, Daniel Johnson, Dave Holtby, and Kelton Kleinman.

Vice Chair Morley asked if there was a training for reviewers. Mr. Fagergren stated there is not, but members of the committee are respected and knowledgeable appraisers. There was a lengthy discussion on the merits and logistics of creating a training for reviewers. Chair Ulibarri and Vice Chair Morley will discuss a training course with Mr. Fagergren at a later date.

### **BOARD AND INDUSTRY ISSUES**

Chair Ulibarri discussed a possible rule amendment creating a transfer fee for individuals transitioning from a Trainee to the Licensed appraiser which would be similar to the rule proposed last month. There was discussion on also adding that same option for individuals going from a Certified Residential to a Certified General. Mr. Barney will draft that language and present it to the Board.

Mr. Barney reported the rule amendment that has been in the works for several month has been filed and is currently in the public comment period. The public comment period ends December 1. The earliest effective date would be December 8.

Mr. Barney reported the AMC rules committee has had several meetings and has met with members of the industry and received their input. He stated there will possibly be some language to present and discuss with in the next months.

A motion was made and seconded to close the meeting for the sole purpose of discussing the character, professional competence or physical or mental health of an individual. Vote: Chair Ulibarri, yes; Vice Chair Morley, yes; Board Member Sloan, yes; Board Member Ewell, yes. The motion passes.

### **CLOSED TO PUBLIC**

An Executive Session was held from approximately 10:03 a.m. to 10:08 a.m.

### **OPEN TO PUBLIC**

### **RESULTS OF EXECUTIVE SESSION**

Certified and Licensed Appraiser Applicants Approved by both Education and Experience Review Committees

Cody Jack Larsen, CR Candidate – Approved

All the individuals presented for consideration as members of the experience review committee we approved.

A motion was made and seconded to adjourn the meeting. Vote: Chair Ulibarri, yes; Vice Chair Morley, yes; Board Member Sloan, yes; Board Member Ewell, yes. The motion passes. The meeting adjourned at approximately 10:10 a.m.